Development, Panchayati Raj and Co-operation Secretariat.

NOTIFICATION-I

Bangalore, dated 23rd March 1965.

G. S. R 492.—In exercise of the powers conferred by section 44 of the Mysore Money Lenders Act, 1961 (Mysore Act 12 of 1962), the Government of Mysore hereby makes the following rules, the same having been previously published in Part IV, Section 2-c (i) of the *Mysore Gazette* dated the 13th December, 1962 as required by sub-section (1) of the said section, namely :—

1. **Title.**—These rules may be called the Mysore Money Lenders Rules, 1965.

2. **Definitions** :—In these rules, unless the context otherwise requires.—

(*a*) "Act" means the Mysore Money Lenders Act, 1961;
(*b*) "Form" means a form appended to these rules;
(*c*) "Section" means a section of the Act.

3. **Register of Money Lenders** :—The Register of Money-Lenders required to be maintained under section 4 shall be in Form 1.

4. **Display of list of licensed money lenders.**—Every Assistant Registrar shall display on a notice board in his office a list of money lenders licensed to carry on the business of money lending in the area under his jurisdiction. Such list shall contain the addresses of the money lenders.

5. **Application for licence.**—(1) A money lender desiring to carry on the business of money lending in any area shall make an application in Form 2 to the Assistant Registrar concerned. The application shall be delivered at the Office of the Assistant Registrar during office hours either personally by the applicant or through an agent duly

authorised in writing in this behalf or sent by registered post addressed to the Assistant Registrar.

(2) An application for grant of a licence for the first time may be made on any date and an application for renewal of licence may be made on any date within two months prior to the expiry of the licence.

6. Change in partnership of management.—If during the currency of a licence a new partner is taken up or a person is appointed as responsible for the management of the business of money-lending, the money lender shall within seven days communicate to the Registrar the name of the partner so taken up or of the person so appointed and shall satisfy the Registrar that the new partner or the person appointed is not himself disqualified from holding a licence on any of the grounds, mentioned in section 8.

7. Change of address.—A money lender shall communicate to the Registrar any change in his address giving full details of the new address within seven days of such change.

8. Procedure for summary inquiry under section 7.—The Assistant Registrar shall make the summary inquiry under section 7 by calling for such information from the applicant and examining such persons as he may deem fit in order to satisfy himself about the *bona fides* of the applicant and his suitability for carrying on the business of money lending. If from the information supplied and the examination made, the Assistant Registrar is not so satisfied, he may examine the applicant personally. The Assistant Registrar shall maintain a record of such inquiry duly signed by him. The record shall contain a brief memorandum of the substance of evidence taken and a summary of the conclusions regarding facts elicited during the enquiry.

9. Form of licence.—The licence under Section 7 shall be in Form 3.

10. Manner of payment of licence fees.— The licence fee of Rs. 10 and Rs. 3 under Section 6 shall be paid in cash at the time of presenting the application or by remitting it by postal money order addressed to the Assistant Registrar or by crediting to Government account at a Treasury, or the Reserve Bank of India, and forwarding the receipt of the postal money order or the receipted chalan to the Assistant Registrar along with the application.

(2) The Registrar while forwarding copies of the licence for the principal place and the application to other Registrar or Registrars shall make an endorsement in token of having received the requisite licence fee.

11. Order refusing to grant licence or cancelling licence to be communicated — If a Registrar refuses to grant a licence, or cancels a licence, he shall communicate the order to the applicant or the Licensee, as the case may be.

12. Appeal against orders of Registrar refusing or cancelling a licence .— (1) An appeal under sub-section (3) of Section 8 or sub-section (3) of Section 9 against the order of a Registrar refusing to grant or cancelling a licence shall be filed within 30 days from the date on which the Order of refusal or cancellation is communicated to the money-lender. An appeal under sub-section (4) of Section 13 against the order of a Registrar shall be filed within 30 days from the date on which the order is communicated to the money-lender or the applicant. The amount of fee payable in respect of such an appeal shall be Rs. 10 and shall be paid in the manner prescribed under rule 10.

(2) The Registrar General shall decide the appeal after giving a reasonable opportunity to the appellant to be heard.

13. Display of licence.—Every money-lender shall exhibit his licence in a prominent place on the premises where he carries on the business of money-lending.

14. Issue of a duplicate licence.—(1) When a licence granted to a money-lender is lost, destroyed or torn or otherwise defaced in such a manner as to render it illegible, the money-lender may make an application to the Registrar through the Assistant Registrar concerned, for the grant of a duplicate licence.

(2) Where a duplicate licence is required on the ground that the original licence is torn or defaced, the money-lender shall surrender the original licence to the Registrar along with the application made under sub-rule (1).

(3) An application under sub-rule (1) shall be accompanied by a fee of Rupee one. The fee shall be paid in the manner prescribed in rule 10.

(4) On receipt of such application, if the Registrar, is, after making such inquiry as may be deemed necessary, satisfied that a duplicate licence may be issued to the money-lender, he shall issue a duplicate licence and direct the Assistant Registrar to make a note of the issue of such a duplicate licence to the money-lender against his name in the register.

(5) The duplicate licence so issued shall bear on its face the number and date of the original licence and shall also bear the word "duplicate".

15. Forms of cash book, ledger and statement under section 20.—The cash book and ledger to be maintained by a money-lender under sub-section (1) of section 20 shall be either in Forms 4 and 5 respectively or in Forms 4A and 5A respectively. The statement under clause (a) of sub-section (2) of section 20 shall be in Form 6.

16. Annual statement of accounts to be delivered by money-lender to debtor, etc., under section 21.—(1) The annual statement of accounts to be delivered by a money-lender to each of his debtors under sub-section (1) of section 21 shall be in Form 7.

(2) The statement shall be furnished to each of the debtors within sixty days after the close of the year for which the accounts of money-lenders are oridinarily maintained:

Provided that the Registrar may on the application of the money-lender extend such period in the aggregate to not more than ninety days after the close of such year, if the money-lender proves to the satisfaction of the Registrar that not less than two-thirds of the total number of statements will be furnished within the said sixty days.

(3) The fee to be paid by a debtor to a money-lender for supplying a statement of accounts under sub-section (2) of section 21 shall be fifty paise.

(4) The expenses to be recovered from a debtor for supplying copies of documents by a money-lender under sub-section (3) of section 21 shall be according to the following scale:—

For copying 100 words or fraction thereof ... 10 paise

For copying 100 words or part thereof tabular statement. ... 15 paise

17. Fees for supplying of statements or pass books.—(1) The rate of fees recoverable under sub-section (2) of section 22 shall be (a) 15 paise for each statement or a copy thereof supplied under sub-section (2) of section 20 and sub-section (1) of section 21 and (b) 75 paise for each pass book containing not less than eight pages excluding cover pages supplied under sub-section (2) of section 20 and sub-section (1) of section 21.

(2) The amount on account of such fees shall be shown separately in debtors account.

18. Form of pass book.—The pass book mentioned in sections 20 and 21 shall be either in Form 8 or Form 9.

19. Notice and information to be given on assignment of loan.—The notice to be given to an assignee under clause

(a), the statement of information to be supplied to an assignee under clause (b) and the notice to be given to the debtor under clause (c), of sub-section (1) of section 30 shall be in Forms 10, 11 and 12 respectively.

20. Form of application under section 33.—The application to be made by a debtor under sub-section (1) of section 33 shall be in form 13 and shall be accompanied by a Court fee of Rupee one.

21. Copies of documents on Payment of fees.—(1) Any party to any application, inquiry or appeal under the Act before the Assistant Registrar, Registrar or Registrar General or any person who is interested in such application inquiry or appeal may apply to the Assistant Registrar, Registrar or Registrar General, as the case may be, for a copy of any documents in the record of such application, inquiry or appeal.

(2) The application shall be accompanied by deposit or an amount to cover the cost of preparing copies according to the following scales of copying fees, namely :—

(*a*) in the case of English copies, 5 paise for every 25 words or fraction thereof ;

(*b*) in the case of copies in regional languages, 5 paise for every 30 words or fraction thereof ;

(*c*) in the case of certified copies, an additional 5 paise for 100 words or fraction thereof for comparing ;

(*d*) in the case of documents in tabular forms, twice the ordinary rate ; provided further that a surcharge of 55 per cent shall be levied on all copying, comparing and translation fees and added to the total charges for the preparation of certified copies ;

(*e*) when the description of the document given in the application is incorrect or deficient and it shall in consequence be necessary for the Record-keeper to search his records in order to find it, a fee at the rate of one rupee for each year, of

which the records are searched, shall be payable by the applicant for such search, whether the document be found or not and whether the copy for which he applies, on examination of the said document, be granted or not.

(3) The amount calculated according to the above scale shall be credited to the Government by the Assistant Registrar, Registrar or Registrar General to whom the application for grant of copies is made, as copying fees and the surplus amount, if any, deposited by the person applying for copies shall be refunded to him at the time of supplying the copy; provided that the person applying for copies shall, if the amount deposited by him is not sufficient to cover copying fees, pay the deficit before taking delivery of the copy.

22. **Forms of summons.**—The summons to be issued for enforcing the attendance of any person under section 14 in connection with an inquiry under section 7 shall be in Form 14 or 15 as the case may be.

FORM 1.

(*See* Rule 3).

Register of Money-lender.

Office of the Assistant Registrar of..... Taluka.. .....District.

Serial Number.	Name, father's or husband's name and full address of the money-lender*	Name, father's name and full address of the person or persons responsible for the management of the business, if any.	Full details of the principal of business or the branches thereof.	Date and Sl. No. of previous licence, if any.	Date of the issue of the present licence.	Serial No. of application.	†Cancellation of licence if any with date and particulars.	Orders of appellate authority if any.	Particulars of cancellation of licence under Sec. 14 (ii) (a) or disqualification under Sec. 14 (ii) (b).	No. of duplicate licences issued with dates.	Signature of Assistant Registrar.	Remarks.
1	2	2-A	3	4	5	6	7	8	9	10	11	12

* In the case of an undivided Hindu Family, Col. 2 should show the names and addresses of the manager and adult co-parceners of such family ; in the case of a bank or company, the col 2 should show the names and addresses of the directors and manager or principal officer and in case of an unincorporated body of individuals, the names and addresses of all individuals.

† When filling up this column, the section of the Act under which cancellation is made, should be entered.

FORM—2

(*See* Rule 5)

Application for the grant of a licence to a money lender.

In the office of the Assistant Registrar of.....

P. O.....

Taluka.....

District.....

1. Name of the applicant, with father's or husband's name, surname, residence and address in full.

Names of the manager and the adult co-parceners of the undivided Hindu family, with father's name, surname, residence and address in full.

Name of the Director, Manager or Principal officer managing the Bank or company with the father's or husband's name, surname, residence and address in full.

Names of all the persons forming an unincorporated body, with father's or husband's names, surnames, residences and address in full.

2. Name in which the applicant carries on or intends to carry on his money-lending business.

3. Name of the area within which the applicant has his business of money-lending on the date of the application.

4. Names of persons responsible or proposed to be responsible for the management of the applicant's money-lending business with their father's or husband's name, surname, residence and address in full.

5. Location of the applicant's place or principal place of business, with full particulars thereof and the name, father's or husband's name, surname and address of the person in charge.

6. Whether the person signing the application or any of the adult co-parceners of an undivided Hindu family, or any Director, Manager or Principal Officer of the Bank or Company or any member of the unincorporated body on behalf of which the application is made, as the case may be carried on the business of money-lending in the province in the year ending on the 31st day of March immediately preceding the date of the application either individually, or in partnership of jointly with any other coparcener or any other person and whether in the same or any other name.

7. Is the applicant or any other person on behalf of whom the application has been made carrying on or intends to carry on the business of money-lending in any other place in the province ? If so, give

complete particulars with the name, father's or husband's name, surname, and address of the person incharge of each office. Give particulars of the location of each such office and the area within which the business of money-lending is being carried on or is proposed to be carried on at each such place.

8. What is the extent of the total business of the applicant on 31st March?

9. What is the total amount of the capital which the applicant intends to invest in the business of money-lending in the year for which the application has been made ?

A. What is the year for which the applicant's accounts are maintained ?

10. Has the applicant carried on the business of money-lending in the past and if so since when ?

11. Has any application for licence previously been made ? If so, when, where and with what results ?

12. In case the application has previously been granted, give full particulars of the licence.

13. Has any licence granted previously to the applicant been cancelled or suspended or does it contain any endorsements of the Court or any disqualifications imposed by the Court ? If so, full particulars should be given including the name of the officer and/or Court and the date and terms of the order.

14. Is money-lending the sole business of the applicant or is he engaged in any other business, profession or calling ?

15. (i) Whether the applicant is a full time servant in the employment of Government or of a local authority ; if so, state the designation of the post held ; and

(ii) Whether by rules applicable to him in that capacity he is entitled to start or carry on the business of money-lending?

Certified that all the facts set out in the application are true to my knowledge except.....paragraphs, which are true to my belief being based on information supplied by.....

Signature of applicant with date.

FORM 3.

(*See* Rule 9)

Money-lender's Licence.

District .....

Taluka .....

Place ..... P. O.....

Licence No.....

This Licence has been granted to ..... to carry on the business of money-lending subject to the provisions of the Mysore Money Lenders Act, 1961, and the Rules thereunder and the following conditions, namely :—

(1) The licence shall be valid up to 31st July.....

(2) It shall entitle the money-lender to carry on the business of money-lending in*...

(3) The licensee shall surrender the licence when ordered to do so by the Registrar granting it or by the Registrar-General or by a Court.

(Seal of the Registrar) date Registrar.

*Here insert area.

(Back)

Endorsement, if any. Signature Remarks.

FORM 4.

(*See* Rule 15)

Cash Book

Dr.		Receipts			Disbursement		Cr.	
Date	Particulars	Ledger folio	Amount		Date	Particulars	Ledger folio	Amount
			Rs. p.	Rs. p.				Rs. p. Rs. p.

In case of loans in kind the entry shall contain clear reference to the commodity advanced with market value of same at the date of each transaction.

FORM 4-A

(*See* Rule 15)

Cash Book

Date	Creditor		Debtor	
	Amount	Particulars	Amount	Particulars
Opening balance brought forward ...				
Closing balance carried over ...				

N.B.—The Ledger Folio number should be entered in any convenient manner.

FORM 5.

(*See* rule 15)

Debtor..... ... .

Name and address of the debtor.....Ledger Account. Ledger No.....

Date	Principal amount borrowed or debited	Amount of due in respect of supply of statements of debts	Amount repaid or credited			Balance due after each transaction			Details of calculation of interest				
			Principal	Interest	Fees for supply of statements of debts	Total	Principal	Interest	Fees for supply of statements of debts	Principal due	Months	Amounts of interest recovered.	Remarks
1	2	3	4	5	6	7	8	9	10	11	12	13	14

FORM No. 6

[*See* Rule 15]

Statement showing the details of conditions of the Loan.

Name of Debtor	...	
Address	...	
1 Amount of loan	...	
2 Date of loan	..	
3 Date of maturity of the loan, if any	...	
4 Rate of interest per annum...		
5 Nature of the security	...	
6 Particulars of documents, if any	...	
7 Any special condition on which the loan has been made	...	
8 Other connected information.		

Signature of money-lender

Name & address of money-lender

Date.....

N.B.—A separate statement shall be furnished in respect of each loan transaction. In case of loan in kind, there shall be reference to the commodity advanced along with market value of the same of the date of each transaction.

FORM No. 5-A

(*See* Rule 15)

Ledger folio No.
Name of Debtor
Full address of Debtor

Creditor				Debtor			
Amount	Date	Page No. 1 of Corresponding entry in the cash book	Particulars	Amount	Date	Page No. of the Corresponding entry in the cash book	Particulars of Security etc.
Total Receipt				Total Payment			

ABSTRACT

	Principal
Debited (During the year)	...
Recoveries (During the year)	...
Net balance due	...
Carried over	...

FORM No. 7

[*See* Rule 16(1)]

Annual statement of accounts to be delivered by a money-lender to his debtors under sub-section(1) of Section 31.

Name of the Debtor ...	
Occupation ...	
Address ...	
Number of Ledger Account or number of ledger folio ...	
Amounts of principal and interest separately due to the money-lender and the amount of fees due in respect of supply of statement of debts ...	
Amount of every payment already received by the money-lender in respect of the loan during the year together with the date on which each payment was made ...	
All payments credited first in the account of interest, and the residue, if any, of any payment more than sufficient to discharge the balance of interest due at the time, it is made credited to the debtor in the account of principal ...	

*Payments credited first in the account of principal by the money-lender; and the remaining payments credited in the account of interest calculated on the basis of the decreased balance of principal; and when the balance of interest is fully discharged, the residue of the payments, if any, further credited in the account of principal ...	
Payments made on account of fees due in respect of supply of statements of debts ...	
The amount of principal remaining unpaid, the interest thereon, and the amount remaining unpaid on account of fees due in respect of statements of debts ...	

*Strike out whichever is not necessary.
Money-lender or his agent.

FORM No. 8

(*See* Rule-18)

Cover Page

PASS BOOK

Name of the Money-Lender
His Address
Licensed money-lender under the Mysore Money-Lenders Act, 1961.

CONTENTS OF THE PASS BOOK

PASS BOOK

Name of the Money-Lender :

His Address :

Name of the Debtor :

His Address :

Sl. No.	Date, month and year	Amount of loan advanced	Nature of security particulars of documents and special conditions, if any	Rate of interest	Date of maturity	Total amount repaid by the debtor	Amount repaid by the debtor how credited		Balance to be recovered from the debtor		Signature of the money lender	Remarks
							Principal	Interest	Principal	Interest		
1	2	3	4	5	6	7	8	9	10	11	12	13

FORM 9.

(*See* rule 18)

Cover Page

PASS BOOK

Name of the licensed Money-Lender.....

His Address ; ;.....

Name of the Debtor.....

His Address.....

Contents of the Pass Book

PASS BOOK.

Name of the Money-Lender..... .....

His Address.....

Name of Debtor.....——.....

His address.....

Date of loan.....

Amount of loan..... .....

Rate of interest per annum..... .....

Nature of Security.....

Particulars of document..... .....

Any special conditions on which the loan is advance.....

Creditor			Debtor		
Amount	Date	Particulars	Amount	Date	Particulars
Total Receipt			Total Payment		
Abstract			Principal Interest		

FORM 10

(*See* rule 19)

Please take notice under Clause (a) of sub-section (1) of Section 30 of the Mysore Money-Lenders Act, 1961, that pursuant to the agreement made by me with

you to assign <u>the loan</u> / <u>the balance of loan</u> / <u>interest on the loan</u> / balance of interest on the loan

advanced to Mr. Address.....together with accrued interest/balance of interest and benefits of the agreement under which the aforesaid loan was given to the debtor as well as security in respect of loan/interest on loan, you will be subject, with effect from .....
to the provisions of the Mysore Money-Lenders Act, 1961.

Signature of the Money-Lender

Prior assignee of the Money-Lender.

Date :

FORM 13

(*See* Rule 20)

(Application to a Court under sub-section (1) of Section 33 for taking accounts)

In the Court of .....

Mis. Case No. ... of 19...

The undermentioned debtor applies for taking accounts of the loan described below and for declaring the amount due to the money-lender.

Particulars of loan.

1 Documents, if any, with particulars .

2 Amount :

3 Description of the money-lender ·

(*a*) Name.

(*b*) Father's/Husband's name.

(*c*) Address.

4. Description of the debtor :

(*a*) Name.

(*b*) Father's/Husband's name.

(*c*) Address.

Date Signature.

FORM 14

(*See* Rule 15)

Summons to Money-Lender.

No. Name of the office.....

To

Whereas your application for grant of a licence under the Mysore Money Lenders Act, 1961, has been received by me, you are hereby summoned in accordance with Section 14 of the said Act to appear before me at the above address in person on the ... .. day of ..... 19... at... O'clock in the..... NOON, for your being examined in connection with the said application ; and you are directed to produce on that day all the documents upon which you intend to reply in support of your application.

Take notice that, in default of your appearance on the day before mentioned, your application for grant of licence under the said Act, shall not be considered.

Given under my hand and seal this..... ....day of.....19...

Seal. Signature of the Officer.